

GREAT VICTORY THE ITALIAN FRONT **Captured More Enemy Prisoners Than** Canada, a message of good will and confidence. We are now on the fourth year of war. Despite many setbacks and disappointments, we are also far on in the path to victory. By standing the same to the specific difference in the same set will have played a greater part than these who are members of the Fritikh commowealth. Against their stead fast courage the legions of autocracy has tiself sprung from the eternal sold of treedom. I have good hopes that before this new year is past, the put-will have been completely accom-the but have been completely accom-these.

FRENCH TROOPS WON

by hill he saw the French attack and afterwards saw the pris- plished." oners, guns and booty brought in. The French also captured their first Austrian prisoners, which is another milestone for them, as heretofore they had captured only Germans.

The officer added: "In addition to the 1,400 prisoners, we counted 560 dead on the ground, and no one knows how many more were in the caverns and underbrush. The perfect French military system enabled them to accomplish this with insignificant loss-less than fifty men. When the prisoners were led in, I never saw a more miserable, pitiful, starved lot of soldiers. They looked like the riffraff from the slums of some big city. Even the officers appeared underfed and under-clothed, and 1 saw only one with a whole pair of breeches.'

Enemy Works Bombarded.

London, Jan. 3.-More than 200 bombs were dropped on Tuesday on various targets, including a large ammunition de- County this morning placed itself on Later it was announced that carpenpot near Courtrai, and the Inglemunster airdrome, according record as favoring a change in the ters only were needed. to an official statement tonight on the aerial operations. "In "rule of the road," making the rule to Mr. W. J. Carten was sent from Fredaj, fighting," the statement says, "two hostile machines were turn to the right instead of to the ericton at a daily cost of \$64. The brought down inside our lines and two others driven down out left. The change was advocated in crew built its own shack and lodged of control. One of our machines is missing.

Raiding Parties Repulsed.

London, Jan. 3.—"Hostile raiding parties were repulsed last night south and southeast of LaBassee, leaving a few prisoners in our hands," the War Office reports. "The enemy artillery showed considerable activity during the night east of Epehy.

Some Artillery Fighting.

Paris, Jan. 3.—"Heavy artillery fighting occurred during the night, especially on the Aisne front, in the region of Landricourt, and Cavaliers de Courcy, in the sector of Maisons de Champagne, and on the right bank of the Meuse" says today's lief, the check for \$5,000 voted by the official report. "Two enemy raids, one south of the Oise, the council having been made payable to er near Carnillet, were repulsed completely

AN OPTIMISTIC **MESSAGE FROM** LLOYD GEORGE

Ottawa, Jan. 3.—The Prime Minis-er has received through the Governor General the following New Year's mes-age from the Right Honorable David loyd George, the British Prime Min

"At the beginning of a new year, I wish to send, on behalf of the war cab-inet, to the government and people of Canada, a message of good will and confidence. We are now on the fourth war of war. Demits means activate

MUNICIPAL COUNCIL CHANGING RULE OF ROAD

Majority Believe New Brunswick Should Conform with Maine and Western Provinces-Grant of \$500 to Victoria Hospital

The Municipal Council of York | needed and also building material.

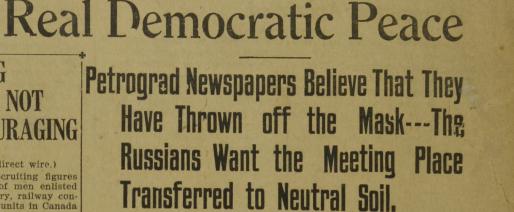
order to make the rule in New Bruns- and boarded itself. Twenty days' wick correspond with that in other work had just exppired. The effoorts provinces and the State of Maine. Mr. Chas. FitzRanGolph gave a state-ed by the Halifax people. Transportament of the expenditure of the county | tion amounted to \$299.25, which it was grant for Halifax relief, and will re- possible the C.P.R. would refund. He port further. The usual grant of five hundred dollars was voted Victoria hundred dollars was voted Victoria standing. Roughly \$2,300 had been Public Hospital.

Halifax Relief.

When the council resumed Thurs- ommend that they be kept there for day morning Warden Brewer invited enother ten days' period, and the bal-Mr. Charles FitzRandolph to make a ance of the \$5,000 sent to the Relief statement with regard to Halifax Re- Committee in Halifax.

FIGURES NOT **ENCOURAGING**

RECRUITING



(By Canadian Press direct wire.)

The Teutons do Not Want

PETROGRAD, Jan. 3 .- Petrograd newspapers are unanimous in declaring that the Germans and Austrians have, after one week, thrown off the mask and made it clear that the Central Powers do not want a real democratic peace.

The Pravda says: "German imperialism is again beginning to show its claws." Germany's apparent unwillingness to give Poland, Lithuania, Livonia, Courland and Esthonia the privilege of free self-definition is the rock upon which the negotiations threaten to go to pieces.

The Russian peace delegation officially has suggested to the Central Powers that the meeting place of the peace delegates be transferred to neutral soil and has protested against certain articles in the Austro'-German terms already submit-The halt in the Russo-German peace negotiations, and led. indications of a German idea to move the conference to Stockholm, have revived universal discussion in Petrograd of a resumption of fighting with a greatly reduced army, probably three million men.

ARDENT PEACE ADVOCATES SAY THAT A **RESUMPTION OF HOSTILITIES IS IMMINENT**

Even the most radical Bolsheviki and the most ardent peace movements have been aroused by the German position. They declare that a resumption of hostilities is imminent, and express the belief that it is possible to organize and make effectmen under ive a small army.

> Indications are that the German attitude is harmonizing in domestic differences and is convincing the Russians that they must fight to save their revolutionary principles.

> Chairman Joffe, of the Russian peace delegation, today sent an official telegram to the chairman of the German, Austrian, Bulgarian and Turkish delegations saying the Russian republic deems it necessary to conduct further peace negotiations on neutral soil, and suggesting a transfer of the conference to

AUSTRO-GERMAN TERMS ARE IN CONFLICT WITH PRINCIPLES OF SELF-DEFINITION OF NATIONS

The telegram declares that replies to the message are expected by Russia in Petrograd. Articles 1 and 2 of the Austro-German terms submitted Dec. 12 (Dec. 25 new style) the message says, are in direct conflict with the principles of self-Coun. Smith expressed the opinion definition of nations insisted upon by the Russian peace dele

THREE MACDONALDS ARE IN JAIL AT HALIFAX ON FORGERY CHARGE

(Canadian Press direct wire.)

HALIFAX, Jan. 3 .- Three Macdonalds, all soldiers, are in the city jail on charges of forgeries, the checks having been passed in Halifax, Truro, New Glasgow and Sydney. The three alleged forgers are not related to each other, but were working together in the passing of forged pay checks to a total amount of about \$500. Norman Macdonald, one of the trio. was arrested at New Glasgow on New Year's Day and handed over to Chief Soy. Just as the chief was putting his prisoner in the cell, he found himself looking into the muzzle of Macdonald's revolver. He retreated and the prisoner escaped.

Norman Macdonald was arrested at the home of his parents in Halifax. His mother tried to persuade Detective Colyer not to enter the boy's room "for fear there would be murder." revolver was under Macdonald's pillow, but before he could reach it he was covered by the detective's gun, and submitted gracefully. Walter an dErnest Macdonald wer ealso arrested here. They are no relation to each other.

Mr. FitzRandolph explained that he been done in an excellent manner. He gation and supported by the Russian republiic and the central had stayed in Halifax but a few days, moved that the crew be kept in Hali- executive committee of the congress of workmen's and soldas artisans were needed and not men fax until the grant should all be ex- iers' delegates. who could merely do executive work. pended. Coun. Pat Graham seconded Money was one of the urgent needs the motion.

Col. Bob Lowe had said that carpen-) ters, glaziers and plumbers were

Mr. FitzRandolph said that he would (Continued on page 5.)

expended for the twenty days' work

of the crew. Personally he would rec

Action Approved.

GOVERNMENT WILL CUN SECURITIES OF PROVINCE

(Canadian Press direct wire.)

OTTAWA, Jan. 3.—With reference to Sir Lomer Gouin's ssue of securities of provinces, municipalities and companies without the consent of the Minister of Finance, Sir Thos. White made the following statement to the press:

'The order-in-council was long overdue. It was drafted ment. will the written opinion that as a war measure it was within the express jurisdiction of the Dominion under the terms of the British North America Act. If the Dominion Government Las ne rewe: to regulate or control issues of provincial governments, it would seem to follow that it has no power to regulate or control issues of municipalities or companies which derive their charters and powers from provincial authority.

Only One Protest.

Only one protest has been received against the control by the government of bond quotations, and that is the protest as referred to above, of the Quebec government. There is no doubt here as to the legality and constitutionality of the ordinance. In event of the Quebec government violating the ordinance, there has been no statement of the action to be taken by the Federal government, but many believe that any moneys secured by bond issues in violation of the Federal government's ordinance, or without consent of the Federal government, will

Articles 1 and 2, as cabled under Brest-Litovsk date by way of Berlin last Sunday, covered the ending of a state of war and the evacuation of occupied territory. In article 2, however, it was declared that the people of Poland, Lithuania, Courland and portions of Esthonia and Livonia, demand independence and separation from Russia, and the German occupation of Russian territory did not apply to these dstricts, which include most of the Russian territory captured by the Germans.

GERMAN NEWSPAPERS BOAST THAT PEACE FORMULA CONTAINS NOTHING THAT IS BINDING

WASHINGTON, Jan. 3 .- Extracts from many of the leading German papers received here by cable today contain boasts protest on the ground of unconstitutionality against the recent that the peace formula given the Russians by Von Kuehlmann order-in-council of the Dominion government prohibiting the and Count Czernin mean nothing and have no binding force on Germany. They agree that Germany never will give up certain lands she has conquered, but some of the editors suggest that what cannot be apropriated by violence may be taken by agree-Sneering references are made to the "democratic in January last and passed upon by the Department of Justice, peace' demanded by Russia, with the explanation that the German delegates have used the term only in a polite form.

SOLDIERS' VOTE WEEK'S LOSSES **BEING COUNTED**

(Canadian Press direct wire.) (Canadian Press direct wire.) Ottawa, Jan. 3.—Allocaton of mili-tary votes cast in England and on the continent of Europe opened today. In the case of polls held in France and Belgium, the votes were allocated to the various constituents and count-ed in Paris. Those cast n Great Bri-tain are allocated and counted in Lon-don. It is not expected that the result will be known before the end of the month. Allocation and counting of military and naval votes cast in North America opens in Ottawa early next week.

(Canadian Press direct wire.) Paris, Jan. 3 .- Nine French men chant snips of more than 1670 tons were sunk by submarines or mines dur-ing the week ending Dec. 20 There were no losses of vessels under 1600 tons, or of fishing ships. Two attacks

IN SHIPPING

ECONOMY AT OTTAWA

(Canadian Press direct wire.)

EARTHQUAKE

MANY DEATHS IN

(Canadian Press direct wire.) San Salvador, Jan. 3.—Newspapers of this city declare that no fewer than 5500 people lost their lives in the Guatemala earthquake. Early reports on the earthquake, which began Christmas day, declared the loss of life was heavy, some esti-mates reaching 1,000. A Guatemala City despatch of December 31, how-ever, said that only a few persons had been killed. (Canadian Press direct wire.) Washington, Jan. 3.—General reor-ganization of the ordnance bureau with experienced business men at the head of important divisions under the chief of ordnance, was announced to-night by the War Department. Hon. Robert Murray of Chatham provincial specretary, is registered at the Queen. (Canadian Press direct wire.)

REORGANIZED

BUREAU WILL BE